

January 10, 2011

William H. Pope
Operating Engineers, Local Union No. 3
1654 The Alameda, Suite 110
San Jose, CA 95126

RE: Response to OE#3 Information Request

Dear Bill:

We are in receipt of OE#3's information request related to the negotiations on retirement issues. Below is the information you requested.

1. Please provide the Current Asset Allocation of Federated Retirement funds.

The asset allocation for the assets in the City Employees' Retirement System can be found in the Investment Policy that has been approved by the Board, which is available at the link below:

<http://www.sjretirement.com/Uploads/Fed/06-10-10%20-%20FCERS%20Updated%20SIP~FINAL.pdf>

2. Please provide the 1 year, 3 year, and 5 year return of each allocation.

The Federated City Employees' Retirement System Board recently adopted a new asset allocation in 2010. Therefore, information for this new asset allocation return is not available for 1 year, 3 years or 5 years.

Information regarding the prior asset allocation returns can be found in the Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2010, which is available at the link below:

<http://www.sjretirement.com/Uploads/Fed/FED%20CAFR%202010%20-%20FINAL.pdf>

3. Please provide the Market Value of Assets as of June 30, 2010.

The Market Value of Assets in the Federated Plan as of June 30, 2010, can be found in the Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2010, which is available at the link below:

<http://www.sjretirement.com/Uploads/Fed/FED%20CAFR%202010%20-%20FINAL.pdf>

4. Please provide the total number of members in the Federated Retirement plan as of June 30, 2010.

The number of members in the Federated Retirement plan as of June 30, 2010, can be found in the Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2010, which is available at the link below:

<http://www.sjretirement.com/Uploads/Fed/FED%20CAFR%202010%20-%20FINAL.pdf>

5. Please provide the total number of active members in the Federated Retirement Plan as of June 30, 2010.

The number of active members in the Federated Retirement Plan as of June 30, 2010, can be found in the Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2010, which is available at the link below:

<http://www.sjretirement.com/Uploads/Fed/FED%20CAFR%202010%20-%20FINAL.pdf>

6. Please provide the total number of active members in the Federated Retirement plan as of June 30, 2009.

The number of active members as of June 30, 2009, can be found in the Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2009, which is available at the link below:

<http://www.sjretirement.com/Uploads/Fed/SJ%20FCERS%20FY2008-09%20CAFR.pdf>

7. Please provide the total number of retirees and beneficiaries in the Federated Retirement plan as of June 30, 2010.

The number retirees and beneficiaries in the Federated plan as of June 30, 2010, can be found in the Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2010, which is available at the link below:

<http://www.sjretirement.com/Uploads/Fed/FED%20CAFR%202010%20-%20FINAL.pdf>

8. Please provide the total number of retirees and beneficiaries in the Federated Retirement Plan as of June 30, 2009.

The number of retirees and beneficiaries in the Federated Plan as of June 30, 2009, can be found in the Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2009, which is available at the link below:

<http://www.sjretirement.com/Uploads/Fed/SJ%20FCERS%20FY2008-09%20CAFR.pdf>

9. Please provide the total number of deferred retirees and beneficiaries in the Federated Retirement plan as of June 30, 2010.

The number of deferred retirees and beneficiaries in the Federated plan as of June 30, 2010, can be found in the Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2010, which is available at the link below:

<http://www.sjretirement.com/Uploads/Fed/FED%20CAFR%202010%20-%20FINAL.pdf>

10. Please provide the total number of deferred retirees and beneficiaries in the Federated Retirement plan as of June 30, 2009.

The number of deferred retirees and beneficiaries in the Federated Retirement plan as of June 30, 2009, can be found in the Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2009, which is available at the link below:

<http://www.sjretirement.com/Uploads/Fed/SJ%20FCERS%20FY2008-09%20CAFR.pdf>

11. Please provide the average age of Active members.

The average age of full-time employees represented by OE#3 is 45 years, as of January 4, 2011.

12. Please provide the average years of service of Active members.

The average years of service of full-time employees represented by OE#3 is approximately 12 years of service, as of January 4, 2011.

13. Please provide the average monthly salary for the Active members.

The average monthly base salary for full time employees represented by OE#3 is \$5,129, as of January 4, 2011.

14. Please provide the average age and average monthly retirement payment for Federated retirees.

The average monthly pension benefit received by retirees in the Federated plan as of June 30, 2009, can be found in the Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2009, which is available at the link below:

<http://www.sjretirement.com/Uploads/Fed/SJ%20FCERS%20FY2008-09%20CAFR.pdf>

Sincerely,

A handwritten signature in black ink, appearing to read 'Alex Gurza', with a long horizontal stroke extending to the right.

Alex Gurza
Director of Employee Relations